



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

OVERVIEW

We have performed the procedures enumerated below, which were agreed to by James M. Rhodes (Jim) and management of Rhodes Homes/Rhodes Design and Development, solely to assist you in ascertaining the accuracy of the "Inside – Outside CF True Up" schedule provided to us by Gary Fuchs, the former Chief Financial Officer (CFO) of "Rhodes Homes". This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report.

"Rhodes Homes" is an accumulation of entities engaged in the real estate development industry. Some of the entities are party to a lending facility with Credit Suisse and inevitably there are transactions or resources that "cross boundaries" and have some shared benefit. As such, Gary Fuchs, the former CFO, was asked by Jim Rhodes to perform a calculation summarizing the transactions up through the present time.

Mr. Fuchs was employed by Rhodes Homes originally as the corporate controller from January 2005 through May 2007. He was rehired as the CFO in September 2007. He was ultimately involved in the companies accounting operations and was extremely familiar with which entities were a party to the credit facility.

The CFO prior to Mr. Fuchs rejoining the company had performed an allocation of overhead for 2007, which was recorded as a liability between the companies inside and outside the facility, specifically Pinnacle Equipment Rental and Pinnacle Grading. The total of the 2007 allocation entry as recorded was \$960,312.91. This was less than two percent of the companies overall combined overhead for 2007; therefore, the amount of "reimbursement" is not a significant percentage of total expense. Our procedures did not extend to the 2007 calculation. However, we did review the recording of this amount in the records of the companies as an amount due to the facility.

Our calculation as of December 31, 2008 reflects \$1,550,522.22 due from companies within the credit facility. This calculation is shown at exhibit A. The amount includes some transactions that were for prior to 2008; therefore, this amount is considered a "cumulative" calculation as of the end of 2008. During our procedures we received

information and input from the company President, former CFO, company officers, accountants, attorneys (on staff and not on staff), and outside consultants.

PROCEDURES

The procedures enumerated below were intended to be an independent review of the company's transactions between companies, which are incorporated into "guarantor" to the Credit Suisse facility, and those companies, which are not.

- 1) Reviewed the components of the "Inside – Outside CF True Up" report supplied by Gary Fuchs, the former company CFO. We discussed the methodology with Mr. Fuchs as well as other executives in order to obtain an understanding of the calculations.
- 2) Reviewed the report information comparing to source documentation and/or third party verification for accuracy.
- 3) Verified the report information to company accounting records for the various respective entities.
- 4) Interviewed the respective "consultants/employees" to ascertain the reasonableness of percentages of time allocations to ventures.
- 5) Reviewed the supporting documentation to ascertain accuracy of advances by Mr. Rhodes personally for executive compensation.
- 6) Reviewed the questionnaires related to employee time allocation as the basis for overhead allocation. Reviewed the calculation for accuracy.
- 7) Reviewed the reconciliation of "inter-company" accounts, comparing such schedule to the company's accounting records and determining the cumulative amount due in/out of the credit facility.
- 8) Provided revisions to the "Inside – Outside CF True Up" report, as we deemed necessary, including explanations and schedules supporting our position.

The following is a description of the individual reconciliation items and the result of procedures applied to each:

“INSIDE – OUTSIDE CF TRUE UP” REPORT REVIEW

Received and reviewed the “Inside – Outside CF True Up” report from the companies’ former CFO Gary Fuchs. This report is comprised of various economic transactions and factors that occurred during 2004 through January 2009. The calculations and underlying thought process was reviewed with the former CFO and accounting staff, but without Jim Rhodes present. This was to avoid any engagement of discussion concerning the theory behind the calculations. The report (exhibit A) contains specific transactions that were considered loans between “inside” and “outside” the facility as well as an “allocation” of overhead that was considered to have been paid for by companies inside the facility for which the companies outside the facility had received some benefit.

During the procedures, the report, detailed transactions, and contents were discussed with management and consultants, both past and present.

KINGMAN HOUSE RENT (Exhibit D)

This amount of \$62,150 was for rent on three houses that were owned outside of the credit facility by Jim Rhodes personally. These houses were supplied to key employees of Pinnacle Grading or employees connected with the “Kingman” project for a period of twenty-five months. Therefore, it was deemed that consideration was due to Mr. Rhodes as the employees benefited the project inside the facility.

We reviewed the schedule of rent prepared and ascertained the employees were employed by Pinnacle Grading, Inc. by reviewing the employees w2s and/or 1099s for the period in question. The rent appeared reasonable at \$950 per house per month; therefore, we consider the amount as listed to be accurate.

TANTARA MODEL RENT (Exhibit E)

This amount represents rental payments made to Glynda Rhodes for a model home. The amount of \$76,880 represents twenty months of rent at a rate of \$3,844 per month. We reviewed the lease agreement comparing it to the rent paid. We also reviewed the transaction activity in the general ledger. The former CFO considered that since the sales were dropped in mid 2007 that the model was not needed. We reviewed the timeframes of the project completion to ascertain the “need” for the model after April 2007. Since twenty-two homes were closed subsequent to the “proposed” date of April 2007 through February 2008 we feel that model rent was justified through February 2008, therefore we are adjusting the former CFO’s schedule by the amount of \$38,440. The amounts of rent paid after February, 2008 have been repaid to the facility as of the date of this report.

The lease was "month to month" and did call for a 30-day notice. We assume this was a formality between the parties in this instance, therefore when the need for the model dissipated the rent should have ceased at that time.

EXECUTIVE COMPENSATION (Exhibit F)

Jim Rhodes had paid a portion of certain executives' compensation personally. This was done to avoid conflict in the office related to the amounts of compensation negotiated. The former CFO had made a calculation by individual to assign a percentage of the pay between companies within the credit facility and outside the facility. None of the executives are currently employed by Rhodes Homes.

We were not able to speak directly to Fred Chin or James Coyne. However, we did meet and have several discussions with Chris Stephens.

The employment time frames were spring 2004 through spring 2007 for Chin, spring 2004 through late fall 2007 for Coyne, and mid 2006 through mid 2008 for Stephens.

Procedures related to the executive compensation follow:

We reviewed the underlying financial support for the amounts paid by Mr. Rhodes outside of the company verifying the payments were made to the individuals noted. We reviewed the supporting documentation of the "compensation" paid by the company verifying the information portrayed for salaries per the former CFO's schedule.

We discussed the allocation method of the individual executives with the former CFO and with Mr. Rhodes as it related to the amount of time presented and the projects noted as being inside and outside the facility. Mr. Rhodes did take exception that Mr. Chin was 100% outside the facility for 11 months of 2006, in as much that he was the Chief Operating Officer (COO) of Rhodes Homes during this time and had responsibilities extending to the developments inside the facility. We were not able to speak personally with Mr. Chin, however, we did discuss the timeframe of the project work that was the subject of Mr. Chin being outside the facility for the 11 months with Paul Huygens, who was employed as CFO at that time. After reviewing what was Mr. Huygens opinion of Mr. Chin's schedule and responsibilities during the time period, we revised his time allocation to that of 50% inside and 50% outside the facility. Mr. Chin was still the COO of Rhodes Homes during this time period and had all the ongoing responsibilities of such. We do not believe a COO of a home builder could be relieved of ongoing management responsibilities for an 11 month period.

The "outside" compensation was comprised of direct payments made to Chin, Coyne, and Stephens from, and in the amounts of, a) a personal UBS investment account (\$1,825,000), b) a credit line with First National Bank established specifically for this

purpose (\$850,000), and c) a mortgage granted on the "Spirit Underground" building (\$500,000). These payments are reflected on exhibit F and labeled as above.

We also do not agree with the former CFO's allocation of 45% of Mr. Stephens' compensation to the credit facility property. Our assessment, which is based on the value of the property affected, is a more realistic approach. We feel the decision was made for entitlement based on the expected increase in property values. As such, Mr. Stephens' efforts produced increases in value and those values should be the determining factor in the allocation, thus linking the results with the associated costs.

We discussed the project values with John Gall, a real estate consultant on the project. Mr. Gall's correspondence concerning the values is included in this report under exhibit F. We also reviewed the maps of the project with a land development staff as well as Mr. Stephens.

We have also included a map reflecting the "annexation" of approximately sixty-five acres into the facility portion of Pravada to make the development more palatable.

We also noted that Mr. Stephens' lump sum payment to commence work was allocated on a weighted average scale based on efforts over the entire twenty month time frame of employment. However, the "up front" payment was intended as motivation for entitlement services on the Pravada project. We did not separately allocate this entire amount to Pravada, to which the effect would have been approximately two hundred thousand dollars in favor of "outside" the facility.

We also reviewed a map of Pravada, noting extensive washes in an aerial view and discussed the amount of acreage usability with Chris Stephens and John Gall. We noted the majority of all construction work being on the parcels (within the facility) that were residential golf course community, lack of access issues to outlying areas as well as significant washes, as well as the majority of the "buffer" (required for use/zoning) being from outside the facility portions of the development.

We reviewed the recording of \$3,427,640.61 as a liability to Desert Communities, Inc. from Rhodes Homes Arizona, to reimburse RHA for development services on the land outside the credit facility. This amount was discussed with Mr. Rhodes and former CFO Paul Huygens.

RANCHERO/SDC LAND/COST ALLOCATION (Exhibit G)

There was an arrangement between South Dakota Conservancy, LLC and Rhodes Homes Arizona, LLC/Elkhorn Investments, Inc, whereby lots were transferred into a company inside the facility and a residence was constructed.

The "Ranchero lots" were roughly 2.5 acre rural residential lots in an area outlying, but adjacent to, the Pravada development. Per a discussion with Mr. Rhodes, the pent up demand, as measured by the significant reservations at Pravada (and usage of existing

model homes), was the platform to launch development of the Ranchero lots. The total number of lots outside the facility as evidenced by the inventory list of developable lots was fifteen. Of these fifteen, ten had been transferred into the facility in the name of Elkhorn Investments, Inc.

There were development costs incurred on five lots by Rhodes Homes Arizona (RHA) in the amount of \$1,014,421 according to the CFO's schedule. In reviewing the general ledger we noted that the costs were spent by RHA. We agreed the information per the CFO schedule to the general ledger for Rhodes Homes Arizona on a test basis, noting descriptions of lot number and subdivision description.

Per a review of the Mojave County assessor roles we noted sale transactions occurring for the subdivision "Golden Valley" with the seller noted as Elkhorn Investments, which is an entity inside the facility. Other lots were listed as being owned by South Dakota Conservancy, LLC. These were the lots had not yet been transferred to Elkhorn Investments.

The developer/seller was intended to be inside the facility, the transfer just never happened as it did with past sale transactions at the Golden Valley subdivision. As we believed this matter (construction costs being incurred on lots owned outside of the credit facility) would be remedied by the action of transfer of ownership this was discussed with management.

From discussions with the Clayton Rice, company counsel, Paul Huygens and Gary Fuchs, former CFOs, the property had not been transferred due to a provision in the credit agreement prohibiting the acquisition of additional property. We are not qualified to interpret the legalities of the amendment as to whether the transfer for no consideration of parcels between companies outside and inside the facility is an issue, but management has instructed us that the transfer has taken place, therefore, the land on which the development costs were expended are now within the facility.

Prior to the completion of our procedures the lots in question were deeded into the facility as intended, thus resolving the matter to the facility's benefit.

PINNACLE GRADING, LLC/PINNACLE EQUIPMENT RENTAL, LLC (Exhibit H)

Pinnacle Grading, LLC (PG) was established to perform grading and "dirt work" for developments inside the facility, outside the facility, and to non-affiliated customers, (which entire operations was for the benefit of the credit facility).

During 2007, Pinnacle Equipment Rental, LLC (PER) was established outside the facility to acquire and provide equipment for usage at the Arizona development. The reason that the company was set up and equipment purchased was due to the need for equipment at

the Pravada site due to the pace of construction, which was based on high demand (referenced by reservations) for the product planned.

Grading equipment was purchased by PER primarily prior to 2007. In a review of the general ledger, it was noted that over \$10 million of the construction equipment was purchased prior to 2007. In a discussion with Scott Scarborough and Pete Collins, management of Pinnacle Grading, the additional equipment was necessary due to the pace of construction at Pravada as well as the necessary "mix" of equipment for the work performed. Mr. Scarborough indicated that the equipment purchased in Pinnacle Grading was breaking due to the increased usage, so the development necessitated newer equipment to keep up with the pace. It was noted that Pinnacle Grading performed a significant percentage of work outside of the facility by a review of the general ledger revenue activity.

In our discussions with the management, including the CFO at the time Pinnacle Equipment Rental was established and the equipment purchased, as well as the CEO and production manager of Pinnacle Equipment Rental, there was a lease established between Pinnacle Equipment Rental and Pinnacle Grading for the usage of the Pinnacle Equipment Rental equipment. This lease was meant to essentially pay for the equipment.

Barring that the lease agreement could not be located, we consulted with a construction equipment dealer (Blaine Equipment) and received terms for an "operating" lease for like equipment for a period which made economic sense in light of the ongoing construction. The period of two years was selected as the majority of the equipment was purchased in November 2006 when the construction was fast paced. In our conversation with the dealer, a one year lease was not feasible, so a two year lease was selected. Using a residual of 50% and an interest rate of 12%, (information per the dealer was 48 to 52 percent residual and an interest rate of 11% to 13%) a payment was calculated for an operating lease for the equipment listed on the Pinnacle Equipment Rental depreciation schedule. This lease payment was adjusted based on additional equipment purchased and sold. Refer to exhibit H.

We also reviewed the equipment maintenance summary log for equipment and noted the hours on average being 230 per month. Normal usage for a standard operating lease as indicated from our discussion with the independent equipment dealer is 1,500 hours per year. This excess of over 50% would have a corresponding impact (extra lease charge) if the lease was actually "arms length". We did not adjust the lease payments for the extra hours the equipment was used due to the other circumstances surrounding the relationship.

The additional usage of the equipment would have significantly increased the rental costs to Pinnacle Grading had the lease been an arms length operating lease. We did not make an additional rental revenue adjustment, which would have been to the detriment of the facility. PER was established for the sole purpose of providing equipment to the Pravada project. PER sold the majority of its portfolio of equipment during 2008 and was able to recover its depreciated cost; therefore, not suffering significant economic strain as a

result of the equipment purchase and usage during its operating time period. Therefore, a transfer of wealth between the two companies does not make sense due to the underlying circumstances.

**SUPERVISION CHARGE FOR DEVELOPMENT OUTSIDE THE FACILITY
(Exhibit I)**

The former CFO schedule notes \$209,356 as being supervision paid by Rhodes Homes of Arizona, LLC on behalf of Desert Communities, Inc, which is outside of the facility. We reviewed the general ledger activity underlying this amount and noted the amount was primarily an invoice for work performed by Pinnacle Grading. We reviewed the invoice apprising the majority of the balance and found it to be within the normal course of business; therefore, this amount was repaid to within the facility.

ALVEREZ & MARSAL RETAINER (Exhibit J)

This expense was related to preparation of materials for the facilitation of the establishment of the credit facility itself. We reviewed the invoice as well as the retainer agreement. We reviewed a copy of the wire transfer of payment by Sagebrush, a company outside of the facility. This amount, \$75,000, was properly reimbursed to outside the facility.

LAND SALE DEPOSIT (Exhibit K)

We reviewed the general ledger entry for the respective accounting to validate the former CFO's position. This amount, \$ 8,209, was properly reimbursed to outside the facility.

STEWART OCCHIPINTI INVOICES (Exhibit L)

This expense was related to Rhodes Homes defense for litigation brought by Deutsche Bank. Deutsche Bank was originally entertained to perform the credit facility. We reviewed the invoices and portions of the complaint to ascertain the relationship to the credit facility. We reviewed copies of the cancelled checks for payments made by Sedora Holdings, LLC, a company outside of the facility. We also reviewed a copy of the cancelled check for the payment made by Sagebrush Enterprises, Inc., a company also outside the facility. These amounts totaling \$206,927 were properly reimbursed to outside the facility.

PALM HILLS WORK (Exhibit M)

This amount per the schedule of \$58,800 was related to "dirt" work performed by Pinnacle Grading for offsite dirt removal for the Palm Hills Development, which was a Rhodes development prior to the commencement of the facility. The work was in order to obtain release of offsite bonds required to be posted to protect municipal property from developer destruction.

The background is that Pinnacle Grading issued a bid for \$58,800 for the site work to be performed. Management thought this was excessive and engaged Pinnacle Grading on a "time and material" basis verbally. The work was performed by Pinnacle Grading. The "cost" records of Pinnacle Grading indicate "job cost" of \$27,093. At the time of our procedures, a price for the work had never been agreed to between Rhodes Design and Development and Pinnacle Grading. The former CFO used the \$58,800 on his schedule, however, we do feel the "markup" of over \$30,000 could be excessive but we don't have a quantifiable basis to adjust the charge. Therefore, we made no change and the funds have been reimbursed to the facility.

MOTORCYCLE TRACK (Exhibit N)

We reviewed the job cost records which indicate that \$13,574 was spent by Pinnacle Grading on this project. The former CFO did not compute a mark up. We feel that any change would be immaterial; therefore, the amount was reimbursed to within the facility.

2008 OVERHEAD ALLOCATION (Exhibit O)

The 2008 overhead allocation was designed by the former CFO in an effort to reimburse companies inside the facility for any overhead that benefited (was spent) on companies and projects outside the facility. As such, the former CFO issued questionnaires to employees that he deemed to have some divided time. These questionnaires were compiled and the results analyzed, and the salaries allocated and an "overhead" burden added to the salary allocation.

We reviewed the questionnaires comparing them to the former CFO's worksheet. We also compared the salary amounts to the payroll records on a test basis. We reviewed the overhead burden for reasonableness in light of things meant to be included.

This process appeared to accomplish the allocation of overhead as expected. Although when discussed with employees, there appeared to be some variations. We cannot see adjusting the allocation in light of the quantified evidence available. The calculations as performed by the former CFO appear to be conservative.

The schedule we received had an adjustment for overhead extending through January 2009. We adjusted the calculation to December 2008 in order to be consistent with the

prior year calculation period being on an annual basis. The effect of this adjustment is \$50,986.

While reviewing payroll information related to other procedures it was discovered that a household employee of Mr. Rhodes was paid by Rhodes Design and Development for one month in 2007; therefore, the amount of \$3,508 has been included in this reports as a reimbursable from Mr. Rhodes. This amount includes a twenty percent allowance for benefits. When discussed with the corporate controller and director of human resources this was considered to be a mistake in payroll processing and an isolated incident. Considering the review of specific employee payroll for the 2007 and 2008 "true up" calculations by the CFO's in both years, we agree with this assessment.

LIMITATIONS

We were not engaged to and did not conduct an examination, the objective of which would be to express of an opinion on the accompanying "Inside – Outside CF True Up" schedule. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of James M. Rhodes (Jim) and Rhodes Homes/Rhodes Design and Development, and is not intended to be, and should not be, used by anyone other than these specified parties.



Main Amundson and Associates
March 20, 2009

**Executive Compensation
Summary of Differences**

	<u>Fred Chin</u>	<u>James Coyne</u>	<u>Chris Stephens</u>
Net Due To (From) Outside Facility Per Former CFO	290,739.83	(76,077.25)	348,061.86
Net Due To (From) Outside Facility Per MAAA	<u>435,829.54</u>	<u>(46,671.62)</u>	<u>1,308,942.75</u>
Difference	<u>145,089.71</u>	<u>29,405.63</u>	<u>960,880.89</u>

Note> The above differences between the former CFO and MAAA on what is due to (from) outside the facility arises from the adjustments below and the adjustment to the allocation of time spent inside/outside the facility. Refer to the "Executive Compensation" section of the report for a detailed narrative relating to the changes in the allocation percentages.

Total Compensation Paid Per Former CFO	2,029,081.69	653,496.00	2,929,615.57
Total Compensation Paid Per MAAA	<u>2,321,991.88</u>	<u>958,668.49</u>	<u>2,938,122.19</u>
Difference	<u>292,910.19</u>	<u>305,172.49</u>	<u>8,506.62</u>

Analysis of Differences

First National Line Payments	(39,221.05)	150,000.00	-
Portion of Spirit Building	344,827.59	155,172.41	-
Adjust to 2006 W-2	(12,696.35)	-	-
Adjust to 2008 W-2	-	-	11,506.62
Adjust to actual UBS pymts	-	-	(3,000.00)
	<u>292,910.19</u>	<u>305,172.41</u>	<u>8,506.62</u>

Copy B To Be Filed With Employee's Federal Tax Return			2006	OMB No. 1545-0008
a Control Number SEDO4730 1 Chin Frederick 1	1 Wages, tips, other comp. 384172.15	2 Federal income tax withheld 114066.17		
b Employer ID number 34-2011869	3 Social security wages 94200.00	4 Social security tax withheld 5840.40		
	5 Medicare wages and tips 384172.15	6 Medicare tax withheld 5570.50		
c Employer's name, address, and ZIP code Sedora Holdings 4730 S. Fort Apache Rd Ste 300 Las Vegas, NV 89147				
d Employee's social security number 526-45-3937				
e Employee's first name and initial Last name Frederick Chin 22 Indian Run Way Las Vegas, NV 89148				
f Employee's address, and ZIP code				
7 Social security tips	8 Allocated tips	9 Advance EIC payment		
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12		
13 Statutory employee	14 Other \$125 3131.50	12b Code		
Retirement plan		12c Code		
Third-party sick pay		12d Code		
NV 34-2011869	384172.15			
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax		
18 Local wages, tips, etc.	19 Local income tax	20 Locality name		

Form W-2 Wage and Tax Statement
This information is being furnished to the Internal Revenue Service

Dept. of the Treasury - IRS

Copy C For EMPLOYEE'S RECORDS (See Notice to Employee on back of Copy B.)			2006	OMB No. 1545-0008
a Control Number SEDO4730 1 Chin Frederick 1	1 Wages, tips, other comp. 384172.15	2 Federal income tax withheld 114066.17		
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Form W-2 Wage and Tax Statement
This information is being furnished to the IRS. If you are required to file a tax return, a negligence penalty/other sanction may be imposed on you if this income is taxable and you fail to report it.

Dept. of the Treasury - IRS

Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return			2006	OMB No. 1545-0008
a Control Number SEDO4730 1 Chin Frederick 1	1 Wages, tips, other comp. 384172.15	2 Federal income tax withheld 114066.17		
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Third-party sick pay		12d Code		
NV 34-2011869	384172.15			
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Extra Employee Copy			2006	OMB No. 1545-0008
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Form W-2 Wage and Tax Statement

Dept. of the Treasury - IRS

Copy B To Be Filed With Employee's FEDERAL Tax Return		2007	OMB No. 1545-0008
a Employee's social security number 526-45-3937	1 Wages, tips, other comp. 85151.45	2 Federal income tax withheld 22815.80	
b Employer ID number 20-3613060	3 Social security wages 85151.45	4 Social security tax withheld 5279.39	
	5 Medicare wages and tips 85151.45	6 Medicare tax withheld 1234.70	
c Employer's name, address, and ZIP code The Rhodes Companies, LLC 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147			
d Control Number RHCO4730 1 Chin Frederick K 1			
e Employee's first name and initial Last name Frederick K Chin 22 Indian Run Way Las Vegas, NV 89148			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other \$125 222.00	12b Code	
Retirement plan		12c Code	
Third-party sick pay		12d Code	
NV 20-3613060	85151.45		
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
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e Employee's first name and initial Last name Frederick K Chin 22 Indian Run Way Las Vegas, NV 89148			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other \$125 222.00	12b Code	
Retirement plan		12c Code	
Third-party sick pay		12d Code	
NV 20-3613060	85151.45		
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement

Dept. of the Treasury - IRS

Extra Employee Copy		2007	OMB No. 1545-0008
a Employee's social security number 526-45-3937	1 Wages, tips, other comp. 85151.45	2 Federal income tax withheld 22815.80	
b Employer ID number 20-3613060	3 Social security wages 85151.45	4 Social security tax withheld 5279.39	
	5 Medicare wages and tips 85151.45	6 Medicare tax withheld 1234.70	
c Employer's name, address, and ZIP code The Rhodes Companies, LLC 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147			
d Control Number RHCO4730 1 Chin Frederick K 1			
e Employee's first name and initial Last name Frederick K Chin 22 Indian Run Way Las Vegas, NV 89148			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other \$125 222.00	12b Code	
Retirement plan		12c Code	
Third-party sick pay		12d Code	
NV 20-3613060	85151.45		
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement

Dept. of the Treasury - IRS

MAR-17-2009 TUE 05:18 PM ERATIONS FNBA

FAX NO. 2248530

P. 02

THE FACE OF THIS DOCUMENT HAS A COLORED BACKGROUND ON WHITE PAPER. THE BACK OF THIS DOCUMENT CONTAINS AN ARTIFICIAL WATERMARK. HOLD AT AN ANGLE TO VIEW.

The Rhodes Companies, LLC
 4730 S. Fort Apache #300
 Las Vegas, NV 89147
 (702) 875-3338

First National Bank of Nevada
 6700 W. Charleston Blvd.
 Las Vegas, NV 89148

DATE: November 7, 2007
 CHECK NO.: 11061
 AMOUNT: \$125,000.00

Pay to the order of: One hundred twenty-five thousand dollars and no cents.

PAY TO THE ORDER OF: Fred Chin

[Signature]

000011061 122401723139502186

SEQ 0009088848

CASHIER'S CHECK # 112428 ISSUED TO PAYEE IN LIEU OF ENDORSEMENT

Invoice Register - Invoice Summary							
Vendor: 03014 Frederick Chin							
Invoice	On-h Sts	Description	Invoice Date	Original Amount	Discount Offered	Accounting Date	Amount Paid
072304		employee reimburse	7-27-2004	184.21		7-27-2004	184.21
100704		Employee reimbursement	10-07-2004	1,222.00		10-07-2004	1,222.00
06/15/04		reimburse	6-15-2004	990.42		6-15-2004	990.42
08/24/04		reimburse	8-04-2004	696.89		8-25-2004	696.89
082704-A		Employee reimbursement	8-27-2004	346.43		8-31-2004	346.43
082704-B		Employee reimbursement	8-27-2004	676.56		8-31-2004	676.56
10/7/04		Employee reimbursement	9-28-2004	440.00		10-07-2004	440.00
11/7/07		Deferred compensation	11-07-2007	125,000.00		11-07-2007	125,000.00
4-28-05		Employee reimbursement	12-15-2005	756.94		12-15-2005	756.94
4/20/06		Expense Reimbursement	4-20-2006	11,458.59		4-21-2006	11,458.59
6/2/06		Expense Reimbursement	6-02-2006	4,396.22		6-14-2006	4,396.22
6/22/06		Expense Reimbursement	6-22-2006	4,338.75		6-27-2006	4,338.75
7/25/05		Reimbursement	7-25-2005	11,416.88		7-28-2005	11,416.88
7/28/04		Reimburse for Marriott	7-28-2004	1,925.10		7-28-2004	1,925.10
8/11/04		Reimbursement	8-11-2004	1,925.10		8-11-2004	1,925.10
EXP REP 2/27/07		Expense reimbursement	2-27-2007	4,816.82		3-02-2007	4,816.82
EXP REP 3/15/07		Expense Reimbursement	3-15-2007	1,283.93		3-21-2007	1,283.93

Close Cancel Conditions... Change view Attachments Form view Select Jump Go to Distributions Help

Invoice 11/7/07 Deferred compensation							
Vendor	On-h Sts	Accounting Date	Description	Amount	Amount Paid	Amount Open	PO
03014		11-07-2007	Deferred compensation	125,000.00	125,000.00	.00	
							Accounts Payable Account rdd-0000-00-2120.000

Copy B To Be Filed With Employee's Federal Tax Return		2006		OMB No. 1545-0008
a Control Number SEDO4730 3	1 Wages, tips, other comp. 178868.50	2 Federal income tax withheld 42848.40		
b Employer ID number 34-2011869	3 Social security wages 94200.00	4 Social security tax withheld 5840.40		
	6 Medicare wages and tips 178868.50	8 Medicare tax withheld 2593.59		
c Employer's name, address, and ZIP code Sedora Holdings 4730 S. Fort Apache Rd Ste 300 Las Vegas, NV 89147				
d Employee's social security number 345-52-0776				
e Employee's first name and initial Last name James G Coyne 22 Indian Run Way Las Vegas, NV 89148				
f Employee's address, and ZIP code				
7 Social security tips	8 Allocated tips	9 Advance EIC payment		
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12		
13 Statutory employee	14 Other \$125 1131.58	12b Code		
Retirement plan		12c Code		
Third-party sick pay		12d Code		
NV 34-2011869	178868.50			
16 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax		
18 Local wages, tips, etc.	19 Local income tax	20 Locality name		

Form W-2 Wage and Tax Statement

This information is being furnished to the Internal Revenue Service

Dept. of the Treasury - IRS

Copy C For EMPLOYEE'S RECORDS (See Notice to Employee on back of Copy B.)		2006		OMB No. 1545-0008
a Control Number SEDO4730 3	1 Wages, tips, other comp. 178868.50	2 Federal income tax withheld 42848.40		
b Employer ID number 34-2011869	3 Social security wages 94200.00	4 Social security tax withheld 5840.40		
	6 Medicare wages and tips 178868.50	8 Medicare tax withheld 2593.59		
c Employer's name, address, and ZIP code Sedora Holdings 4730 S. Fort Apache Rd Ste 300 Las Vegas, NV 89147				
d Employee's social security number 345-52-0776				
e Employee's first name and initial Last name James G Coyne 22 Indian Run Way Las Vegas, NV 89148				
f Employee's address, and ZIP code				
7 Social security tips	8 Allocated tips	9 Advance EIC payment		
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12		
13 Statutory employee	14 Other \$125 1131.58	12b Code		
Retirement plan		12c Code		
Third-party sick pay		12d Code		
NV 34-2011869	178868.50			
16 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax		
18 Local wages, tips, etc.	19 Local income tax	20 Locality name		

Form W-2 Wage and Tax Statement

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Dept. of the Treasury - IRS

Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return		2006		OMB No. 1545-0008
a Control Number SEDO4730 3	1 Wages, tips, other comp. 178868.50	2 Federal income tax withheld 42848.40		
b Employer ID number 34-2011869	3 Social security wages 94200.00	4 Social security tax withheld 5840.40		
	6 Medicare wages and tips 178868.50	8 Medicare tax withheld 2593.59		
c Employer's name, address, and ZIP code Sedora Holdings 4730 S. Fort Apache Rd Ste 300 Las Vegas, NV 89147				
d Employee's social security number 345-52-0776				
e Employee's first name and initial Last name James G Coyne 22 Indian Run Way Las Vegas, NV 89148				
f Employee's address, and ZIP code				
7 Social security tips	8 Allocated tips	9 Advance EIC payment		
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12		
13 Statutory employee	14 Other \$125 1131.58	12b Code		
Retirement plan		12c Code		
Third-party sick pay		12d Code		
NV 34-2011869	178868.50			
16 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax		
18 Local wages, tips, etc.	19 Local income tax	20 Locality name		

Form W-2 Wage and Tax Statement

Dept. of the Treasury - IRS

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a Control Number SEDO4730 3	1 Wages, tips, other comp. 178868.50	2 Federal income tax withheld 42848.40		
b Employer ID number 34-2011869	3 Social security wages 94200.00	4 Social security tax withheld 5840.40		
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d Employee's social security number 345-52-0776				
e Employee's first name and initial Last name James G Coyne 22 Indian Run Way Las Vegas, NV 89148				
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7 Social security tips	8 Allocated tips	9 Advance EIC payment		
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12		
13 Statutory employee	14 Other \$125 1131.58	12b Code		
Retirement plan		12c Code		
Third-party sick pay		12d Code		
NV 34-2011869	178868.50			
16 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax		
18 Local wages, tips, etc.	19 Local income tax	20 Locality name		

Form W-2 Wage and Tax Statement

Dept. of the Treasury - IRS

Copy B To Be Filed With Employee's FEDERAL Tax Return		2007 OMB No. 1545-0008	
a Employee's social security number	1 Wages, tips, other comp.	2 Federal income tax withheld	
345-52-0776	111990.08	26869.31	
b Employer ID number	3 Social security wages	4 Social security tax withheld	
20-2517248	97500.00	6045.00	
	6 Medicare wages and tips	6 Medicare tax withheld	
	111990.08	1623.86	
c Employer's name, address, and ZIP code			
Rhodes Homes- Arizona 313 So. Aztec Road Golden Valley, AZ 86413			
d Control Number RHAZ2215 673 Coyne James G 673			
e Employee's first name and initial Last name			
James G Coyne 22 Indian Run Way Las Vegas, NV 89148			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other	12b Code	
	S125 413.00		
Retirement plan		12c Code	
Third-party sick pay		12d Code	
AZ 20-2517248	111990.08	4600.52	
16 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement
This information is being furnished to the Internal Revenue Service

Dept. of the Treasury - IRS

Copy C For EMPLOYEE'S RECORDS (See Notice to Employee on back of Copy B.)		2007 OMB No. 1545-0008	
a Employee's social security number	1 Wages, tips, other comp.	2 Federal income tax withheld	
345-52-0776	111990.08	26869.31	
b Employer ID number	3 Social security wages	4 Social security tax withheld	
20-2517248	97500.00	6045.00	
	6 Medicare wages and tips	6 Medicare tax withheld	
	111990.08	1623.86	
c Employer's name, address, and ZIP code			
Rhodes Homes- Arizona 313 So. Aztec Road Golden Valley, AZ 86413			
d Control Number RHAZ2215 673 Coyne James G 673			
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James G Coyne 22 Indian Run Way Las Vegas, NV 89148			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other	12b Code	
	S125 413.00		
Retirement plan		12c Code	
Third-party sick pay		12d Code	
AZ 20-2517248	111990.08	4600.52	
16 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement
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Dept. of the Treasury - IRS

Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return		2007 OMB No. 1545-0008	
a Employee's social security number	1 Wages, tips, other comp.	2 Federal income tax withheld	
345-52-0776	111990.08	26869.31	
b Employer ID number	3 Social security wages	4 Social security tax withheld	
20-2517248	97500.00	6045.00	
	6 Medicare wages and tips	6 Medicare tax withheld	
	111990.08	1623.86	
c Employer's name, address, and ZIP code			
Rhodes Homes- Arizona 313 So. Aztec Road Golden Valley, AZ 86413			
d Control Number RHAZ2215 673 Coyne James G 673			
e Employee's first name and initial Last name			
James G Coyne 22 Indian Run Way Las Vegas, NV 89148			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other	12b Code	
	S125 413.00		
Retirement plan		12c Code	
Third-party sick pay		12d Code	
AZ 20-2517248	111990.08	4600.52	
16 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement

Dept. of the Treasury - IRS

Extra Employee Copy		2007 OMB No. 1545-0008	
a Employee's social security number	1 Wages, tips, other comp.	2 Federal income tax withheld	
345-52-0776	111990.08	26869.31	
b Employer ID number	3 Social security wages	4 Social security tax withheld	
20-2517248	97500.00	6045.00	
	6 Medicare wages and tips	6 Medicare tax withheld	
	111990.08	1623.86	
c Employer's name, address, and ZIP code			
Rhodes Homes- Arizona 313 So. Aztec Road Golden Valley, AZ 86413			
d Control Number RHAZ2215 673 Coyne James G 673			
e Employee's first name and initial Last name			
James G Coyne 22 Indian Run Way Las Vegas, NV 89148			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other	12b Code	
	S125 413.00		
Retirement plan		12c Code	
Third-party sick pay		12d Code	
AZ 20-2517248	111990.08	4600.52	
16 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement

Dept. of the Treasury - IRS

Copy B To Be Filed With Employee's FEDERAL Tax Return		2007 OMB No. 1545-0008	
a Employee's social security number 345-52-0776	1 Wages, tips, other comp. 79438.92	2 Federal income tax withheld 18991.23	
b Employer ID number 20-3613060	3 Social security wages 79438.92	4 Social security tax withheld 4925.21	
	5 Medicare wages and tips 79438.92	6 Medicare tax withheld 1151.86	
c Employer's name, address, and ZIP code The Rhodes Companies, LLC 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147			
d Control Number RHCO4730 619 Coyne James G 619			
e Employee's first name and initial Last name James G Coyne 22 Indian Run Way Las Vegas, NV 89148			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other \$125 404.00	12b Code	
Retirement plan		12c Code	
Third-party sick pay		12d Code	
NV 20-3613060	79438.92		
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement
This information is being furnished to the Internal Revenue Service

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Copy C For EMPLOYEE'S RECORDS (See Notice to Employee on back of Copy B.)		2007 OMB No. 1545-0008	
a Employee's social security number 345-52-0776	1 Wages, tips, other comp. 79438.92	2 Federal income tax withheld 18991.23	
b Employer ID number 20-3613060	3 Social security wages 79438.92	4 Social security tax withheld 4925.21	
	5 Medicare wages and tips 79438.92	6 Medicare tax withheld 1151.86	
c Employer's name, address, and ZIP code The Rhodes Companies, LLC 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147			
d Control Number RHCO4730 619 Coyne James G 619			
e Employee's first name and initial Last name James G Coyne 22 Indian Run Way Las Vegas, NV 89148			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other \$125 404.00	12b Code	
Retirement plan		12c Code	
Third-party sick pay		12d Code	
NV 20-3613060	79438.92		
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

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Dept. of the Treasury - IRS

Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return		2007 OMB No. 1545-0008	
a Employee's social security number 345-52-0776	1 Wages, tips, other comp. 79438.92	2 Federal income tax withheld 18991.23	
b Employer ID number 20-3613060	3 Social security wages 79438.92	4 Social security tax withheld 4925.21	
	5 Medicare wages and tips 79438.92	6 Medicare tax withheld 1151.86	
c Employer's name, address, and ZIP code The Rhodes Companies, LLC 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147			
d Control Number RHCO4730 619 Coyne James G 619			
e Employee's first name and initial Last name James G Coyne 22 Indian Run Way Las Vegas, NV 89148			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other \$125 404.00	12b Code	
Retirement plan		12c Code	
Third-party sick pay		12d Code	
NV 20-3613060	79438.92		
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement

Dept. of the Treasury - IRS

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a Employee's social security number 345-52-0776	1 Wages, tips, other comp. 79438.92	2 Federal income tax withheld 18991.23	
b Employer ID number 20-3613060	3 Social security wages 79438.92	4 Social security tax withheld 4925.21	
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c Employer's name, address, and ZIP code The Rhodes Companies, LLC 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147			
d Control Number RHCO4730 619 Coyne James G 619			
e Employee's first name and initial Last name James G Coyne 22 Indian Run Way Las Vegas, NV 89148			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other \$125 404.00	12b Code	
Retirement plan		12c Code	
Third-party sick pay		12d Code	
NV 20-3613060	79438.92		
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement

Dept. of the Treasury - IRS

Copy B To Be Filed With Employee's FEDERAL Tax Return		2006	OMB No. 1545-0008
a Employee's social security number 531-60-7175	1 Wages, tips, other comp. 207517.83	2 Federal income tax withheld 53369.38	
b Employer ID number 88-0241963	3 Social security wages 94200.00	4 Social security tax withheld 5840.40	
	5 Medicare wages and tips 207517.83	6 Medicare tax withheld 3009.01	
c Employer's name, address, and ZIP code Rhodes Design & Development 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147			
d Control Number RHDD4730 613 Stephens Christopher			
e Employee's first name and initial Last name Christopher C Stephens 18 Wade Hampton Trail Henderson, NV 89052			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other S125 1713.00	12b Code	
Retirement plan		12c Code	
Third-party sick pay		12d Code	
NV 88-0241963	207517.83		
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

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a Employee's social security number 531-60-7175	1 Wages, tips, other comp. 207517.83	2 Federal income tax withheld 53369.38	
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c Employer's name, address, and ZIP code Rhodes Design & Development 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147			
d Control Number RHDD4730 613 Stephens Christopher			
e Employee's first name and initial Last name Christopher C Stephens 18 Wade Hampton Trail Henderson, NV 89052			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other S125 1713.00	12b Code	
Retirement plan		12c Code	
Third-party sick pay		12d Code	
NV 88-0241963	207517.83		
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
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b Employer ID number 88-0241963	3 Social security wages 94200.00	4 Social security tax withheld 5840.40	
	5 Medicare wages and tips 207517.83	6 Medicare tax withheld 3009.01	
c Employer's name, address, and ZIP code Rhodes Design & Development 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147			
d Control Number RHDD4730 613 Stephens Christopher			
e Employee's first name and initial Last name Christopher C Stephens 18 Wade Hampton Trail Henderson, NV 89052			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other S125 1713.00	12b Code	
Retirement plan		12c Code	
Third-party sick pay		12d Code	
NV 88-0241963	207517.83		
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement
Dept. of the Treasury - IRS

Extra Employee Copy		2006	OMB No. 1545-0008
a Employee's social security number 531-60-7175	1 Wages, tips, other comp. 207517.83	2 Federal income tax withheld 53369.38	
b Employer ID number 88-0241963	3 Social security wages 94200.00	4 Social security tax withheld 5840.40	
	5 Medicare wages and tips 207517.83	6 Medicare tax withheld 3009.01	
c Employer's name, address, and ZIP code Rhodes Design & Development 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147			
d Control Number RHDD4730 613 Stephens Christopher			
e Employee's first name and initial Last name Christopher C Stephens 18 Wade Hampton Trail Henderson, NV 89052			
f Employee's address, and ZIP code			
7 Social security tips	8 Allocated tips	9 Advance EIC payment	
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12	
13 Statutory employee	14 Other S125 1713.00	12b Code	
Retirement plan		12c Code	
Third-party sick pay		12d Code	
NV 88-0241963	207517.83		
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement
Dept. of the Treasury - IRS

Copy B To Be Filed With Employee's FEDERAL Tax Return			2007	OMB No. 1545-0008
a Employee's social security number	1 Wages, tips, other comp.	2 Federal income tax withheld		
531-60-7175	543304.12	136531.00		
b Employer ID number	3 Social security wages	4 Social security tax withheld		
20-3613060	97500.00	6045.00		
	5 Medicare wages and tips	6 Medicare tax withheld		
	543304.12	7877.91		
c Employer's name, address, and ZIP code				
The Rhodes Companies, LLC 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147				
d Control Number RHCO4730 613 Stephens Christopher				
e Employee's first name and initial Last name Christopher C Stephens 18 Wade Hampton Trail Henderson, NV 89052				
f Employee's address, and ZIP code				
7 Social security tips	8 Allocated tips	9 Advance EIC payment		
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12		
13 Statutory employee	14 Other \$125 6696.00	12b Code		
Retirement plan		12c Code		
Third-party sick pay		12d Code		
NV 20-3613060	543304.12			
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax		
18 Local wages, tips, etc.	19 Local income tax	20 Locality name		

Form W-2 Wage and Tax Statement
This information is being furnished to the Internal Revenue Service

Dept. of the Treasury - IRS

Copy C For EMPLOYEE'S RECORDS (See Notice to Employee on back of Copy B.)			2007	OMB No. 1545-0008
a Employee's social security number	1 Wages, tips, other comp.	2 Federal income tax withheld		
531-60-7175	543304.12	136531.00		
b Employer ID number	3 Social security wages	4 Social security tax withheld		
20-3613060	97500.00	6045.00		
	5 Medicare wages and tips	6 Medicare tax withheld		
	543304.12	7877.91		
c Employer's name, address, and ZIP code				
The Rhodes Companies, LLC 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147				
d Control Number RHCO4730 613 Stephens Christopher				
e Employee's first name and initial Last name Christopher C Stephens 18 Wade Hampton Trail Henderson, NV 89052				
f Employee's address, and ZIP code				
7 Social security tips	8 Allocated tips	9 Advance EIC payment		
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12		
13 Statutory employee	14 Other \$125 6696.00	12b Code		
Retirement plan		12c Code		
Third-party sick pay		12d Code		
NV 20-3613060	543304.12			
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax		
18 Local wages, tips, etc.	19 Local income tax	20 Locality name		

Form W-2 Wage and Tax Statement
This information is being furnished to the IRS. If you are required to file a tax return, a negligence penalty/other sanction may be imposed on you if this income is taxable and you fail to report it.

Dept. of the Treasury - IRS

Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return			2007	OMB No. 1545-0008
a Employee's social security number	1 Wages, tips, other comp.	2 Federal income tax withheld		
531-60-7175	543304.12	136531.00		
b Employer ID number	3 Social security wages	4 Social security tax withheld		
20-3613060	97500.00	6045.00		
	5 Medicare wages and tips	6 Medicare tax withheld		
	543304.12	7877.91		
c Employer's name, address, and ZIP code				
The Rhodes Companies, LLC 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147				
d Control Number RHCO4730 613 Stephens Christopher				
e Employee's first name and initial Last name Christopher C Stephens 18 Wade Hampton Trail Henderson, NV 89052				
f Employee's address, and ZIP code				
7 Social security tips	8 Allocated tips	9 Advance EIC payment		
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12		
13 Statutory employee	14 Other \$125 6696.00	12b Code		
Retirement plan		12c Code		
Third-party sick pay		12d Code		
NV 20-3613060	543304.12			
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax		
18 Local wages, tips, etc.	19 Local income tax	20 Locality name		

Form W-2 Wage and Tax Statement

Dept. of the Treasury - IRS

Extra Employee Copy			2007	OMB No. 1545-0008
a Employee's social security number	1 Wages, tips, other comp.	2 Federal income tax withheld		
531-60-7175	543304.12	136531.00		
b Employer ID number	3 Social security wages	4 Social security tax withheld		
20-3613060	97500.00	6045.00		
	5 Medicare wages and tips	6 Medicare tax withheld		
	543304.12	7877.91		
c Employer's name, address, and ZIP code				
The Rhodes Companies, LLC 4730 S. Fort Apache Rd. Suite 300 Las Vegas, NV 89147				
d Control Number RHCO4730 613 Stephens Christopher				
e Employee's first name and initial Last name Christopher C Stephens 18 Wade Hampton Trail Henderson, NV 89052				
f Employee's address, and ZIP code				
7 Social security tips	8 Allocated tips	9 Advance EIC payment		
10 Dependent care benefits	11 Nonqualified plans	12a Code See inst. for box 12		
13 Statutory employee	14 Other \$125 6696.00	12b Code		
Retirement plan		12c Code		
Third-party sick pay		12d Code		
NV 20-3613060	543304.12			
15 State Emp'r's state I.D. #	16 State wages, tips, etc.	17 State income tax		
18 Local wages, tips, etc.	19 Local income tax	20 Locality name		

Form W-2 Wage and Tax Statement

Dept. of the Treasury - IRS

22222 Void <input type="checkbox"/>		a Employee's social security number 531-60-7175		OMB No. 1545-0008	
b Employer identification number (EIN) 88-0241963			1 Wages, tips, other compensation 356891.24		2 Federal income tax withheld 88802.29
c Employer's name, address, and ZIP code Rhodes Homes 4730 S. Fort Apache Road, #300 Las Vegas NV 89147			3 Social security wages 102000.00		4 Social security tax withheld 6324.00
			5 Medicare wages and tips 356891.24		6 Medicare tax withheld 5174.92
			7 Social security tips		8 Allocated tips
d Control number 35			9 Advance EIC payment		10 Dependent care benefits
e Employee's name, address, city and ZIP code Christopher Stephens 18 Wade Hampton Trail Henderson NV 89052			11 Nonqualified plans		12a See instructions for box 12
			13 <input type="checkbox"/> Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay		12b
			14 Other		12c
					12d
15 State Employer's state ID number NV 108701.00 -4		16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax
					20 Locality name

Form **W-2** Wage and Tax Statement

2008

Copy 1—For State, City, or Local Tax Department
Copy D—For Employer.Department of the Treasury—Internal Revenue Service
For Privacy Act and Paperwork Reduction
Act Notice, see the back of Copy D.

♻️ Printed on Recycled Paper

Disbursement

PAGE 1 OF 1
Account Number FG 79255 P1

Branch Telephone Number
415-398-6400/800-873-0200

000004362 01 MB 0.326 000000022 D240-R19
JAMES M RHODES
252 ANGLES TRACE CT
LAS VEGAS NV 89148-2746

00004362

Important. Please retain for your records.

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 06/26/2006

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
06/23/2006	WITHDRAWAL		BRANCH CHECK# FG03699	\$1,000,000.00	CHRIS STEPHENS

Total	\$1,000,000.00
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[illegible]

UBS FINANCIAL SERVICES INC.
555 CALIFORNIA STREET
SUITE 3200
SAN FRANCISCO, CA 94104

D011006518 00000178300005784 FG7925510 0001E

Disbursement

PAGE 1 OF 1
Account Number FG 79255 P1

Branch Telephone Number
415-398-6400/800-873-0200

000005784 01 MB 0.326 000000029 D240-R19
JAMES M RHODES
252 ANGLES TRACE CT
LAS VEGAS NV 89148-2746

00005784

Important. Please retain for your records.

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 07/31/2006

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
07/28/2006	FED FUND WIRE		WIRE# 006654	\$37,500.00	WELLS FARGO BANK, NA
			FED# 0728B1Q8052C004288		ABA# 121000248
					ACCOUNT# 5508672085
					CHRIS AND TAMARA STEPHENS

TOTAL

\$37,500.00

UBS FINANCIAL SERVICES INC.
555 CALIFORNIA STREET
SUITE 3200
SAN FRANCISCO, CA 94104

D011004361 00000170500003813 FG7925510 0001E

Disbursement

PAGE 1 OF 1
Account Number FG 79255 P1

Branch Telephone Number
415-398-6400/800-873-0200

000003813 01 MB 0.326 000000020 D240-R19

JAMES M RHODES

252 ANGLES TRACE CT

LAS VEGAS NV 89148-2746

00003813

Important. Please retain for your records.

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 08/15/2006

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
08/14/2006	FED FUND WIRE		WIRE# 006260	\$37,500.00	WELLS FARGO BANK, NA
			FED# 0814B1Q8052C004587		ABA# 121000248
					ACCOUNT# 5508672085
					CHRIS AND TAMARA STEPHENS

Total

\$37,500.00

UBS FINANCIAL SERVICES INC.
555 CALIFORNIA STREET
SUITE 3200
SAN FRANCISCO, CA 94104

D011006404 00000176800005782 FG7925510 0001E

Disbursement

PAGE 1 OF 1
Account Number FG 79255 P1

Branch Telephone Number
415-398-6400/800-873-0200

Important. Please retain for your records.

000005782 01 MB 0.326 000000029 D240-R19

JAMES M RHODES

252 ANGLES TRACE CT

LAS VEGAS NV 89148-2746

00005782

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 09/18/2006

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
09/15/2006	FED FUND WIRE		WIRE# 005943 FED# 0915B1Q8052C002753	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

UBS FINANCIAL SERVICES INC.
 555 CALIFORNIA STREET
 SUITE 3200
 SAN FRANCISCO, CA 94104

D021078338 00000172900071680 FG7925510 0001E

Disbursement

PAGE 1 OF 1
 Account Number FG 79255 P1

Branch Telephone Number
 415-398-6400/800-873-0200

Important. Please retain for your records.

000162351 01 AT 0.308 000000845 D250-R46

JAMES M RHODES

252 ANGLES TRACE CT

LAS VEGAS NV 89148-2746

00071680

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 10/16/2006

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
10/13/2006	FED FUND WIRE		WIRE# 006547 FED# 1013B1Q8052C002740	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

Total

\$37,500.00

UBS FINANCIAL SERVICES INC.
555 CALIFORNIA STREET
SUITE 3200
SAN FRANCISCO, CA 94104

D011006026 00000178600005280 FG7925510 0001E

Disbursement

PAGE 1 OF 1
Account Number FG 79255 P1

Branch Telephone Number
415-398-6400/800-873-0200

Important. Please retain for your records.

000005280 01 MB 0.326 000000026 D240-R19

JAMES M RHODES

252 ANGLES TRACE CT

LAS VEGAS NV 89148-2746

00005280

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 11/20/2006

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
11/17/2006	FED FUND WIRE		WIRE# 006599	\$37,500.00	WELLS FARGO BANK, NA
			FED# 1117B1Q8052C003118		ABA# 121000248
					ACCOUNT# 5508672085
					CHRIS AND TAMARA STEPHENS

Total

\$37,500.00

UBS FINANCIAL SERVICES INC.
555 CALIFORNIA STREET
SUITE 3200
SAN FRANCISCO, CA 94104

D011006418 00000178200005476 FG7925510 0001E

Disbursement

PAGE 1 OF 1
Account Number FG 79255 P1

Branch Telephone Number
415-398-6400/800-873-0200

000005476 01 MB 0.326 000000027 D240-R19
JAMES M RHODES
252 ANGLES TRACE CT
LAS VEGAS NV 89148-2746

00005476

Important. Please retain for your records.

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 12/14/2006

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
12/13/2006	FED FUND WIRE		WIRE# 006416 FED# 1213B1Q8152C006246	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

Total \$37,500.00

UBS FINANCIAL SERVICES INC.
555 CALIFORNIA STREET
SUITE 3200
SAN FRANCISCO, CA 94104

D011008801 00000178900007971 FG7925510 0001E

Disbursement

PAGE 1 OF 1
Account Number FG 79255 P1

Branch Telephone Number
415-398-6400/800-873-0200

000007971 01 MB 0.326 0000000040 D240-R19

JAMES M RHODES

252 ANGLES TRACE CT

LAS VEGAS NV 89148-2746

00007971

Important. Please retain for your records.

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 01/16/2007

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
01/12/2007	FED FUND WIRE		WIRE# 005667 FED# 0112B1Q8154C003661	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

Total

UBS FINANCIAL SERVICES INC.
555 CALIFORNIA STREET
SUITE 3200
SAN FRANCISCO, CA 94104

D011005742 00000179900005023 FG7925510 0001E

Disbursement

PAGE 1 OF 1
Account Number FG 79255 P1

Branch Telephone Number
415-398-6400/800-873-0200

000005023 01 MB 0.326 000000025 D240-R19
JAMES M RHODES
252 ANGLES TRACE CT
LAS VEGAS NV 89148-2746

00005023

Important. Please retain for your records.

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 02/13/2007

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
02/12/2007	FED FUND WIRE		WIRE# 005680 FED# 0212B1Q8153C005433	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

Total

\$37,500.00

UBS FINANCIAL SERVICES INC.
 345 CALIFORNIA STREET
 SUITE #2200
 SAN FRANCISCO, CA 94104

D011005352 00000170600004670 FG7925510 0001E

Disbursement

PAGE 1 OF 1
 Account Number FG 79255 P1

Branch Telephone Number
 415-398-6400/800-873-0200

Important. Please retain for your records.

000004670 01 MB 0.326 000000024 D240-R19

JAMES M RHODES

252 ANGLES TRACE CT

LAS VEGAS NV 89148-2746

00004670

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 03/14/2007

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
03/13/2007	FED FUND WIRE		WIRE# 006434 FED# 0313B6B7IK2C003043	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

Total

\$37,500.00

UBS FINANCIAL SERVICES INC.
 345 CALIFORNIA STREET
 SUITE #2200
 SAN FRANCISCO, CA 94104
 D011010764 00000177200009880 FG7925510 0001E

Disbursement

PAGE 1 OF 1
 Account Number FG 79255 P1

Branch Telephone Number
 415-398-6400/800-873-0200

Important. Please retain for your records.

000009880 01 MB 0.326 000000050 D240-R19
 JAMES M RHODES
 252 ANGLES TRACE CT
 LAS VEGAS NV 89148-2746

000000000

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 04/16/2007

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
04/13/2007	FED FUND WIRE		WIRE# 006550 FED# 0413B6B7IK2C002855	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

04/13/2007 \$37,500.00

UBS FINANCIAL SERVICES INC.
 345 CALIFORNIA STREET
 SUITE #2200
 SAN FRANCISCO, CA 94104
 D011006631 00000179700005968 FG7925510 0001E

Disbursement

PAGE 1 OF 1
 Account Number FG 79255 P1

Branch Telephone Number
 415-398-6400/800-873-0200

000005968 01 MB 0.326 000000030 D240-R19
 JAMES M RHODES
 252 ANGLES TRACE CT
 LAS VEGAS NV 89148-2746

89650000

Important. Please retain for your records.

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 05/16/2007

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
05/15/2007	FED FUND WIRE		WIRE# 006316 FED# 0515B6B7IK2C004159	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

Total				\$37,500.00	
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UBS FINANCIAL SERVICES INC.
 345 CALIFORNIA STREET
 SUITE #2200
 SAN FRANCISCO, CA 94104
 D011006383 00000174700005672 FG7925510 0001E

Disbursement

PAGE 1 OF 1
 Account Number FG 79255 P1

Branch Telephone Number
 415-398-6400/800-873-0200

000005672 01 MB 0.326 000000029 D240-R19
 JAMES M RHODES
 252 ANGLES TRACE CT
 LAS VEGAS NV 89148-2746

00005672

Important. Please retain for your records.

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 07/17/2007

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
07/16/2007	FED FUND WIRE		WIRE# 005849 FED# 0716B6B7IR2C002290	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

Total				\$37,500.00	
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UBS FINANCIAL SERVICES INC.
 345 CALIFORNIA STREET
 SUITE #2200
 SAN FRANCISCO, CA 94104
 D011005916 00000177500005374 FG7925510 0001E

Disbursement

PAGE 1 OF 1
 Account Number FG 79255 P1

Branch Telephone Number
 415-398-6400/800-873-0200

Important. Please retain for your records.

JAMES M RHODES
 252 ANGLES TRACE CT
 LAS VEGAS NV 89148-2746

00005374

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 08/17/2007

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
08/16/2007	FED FUND WIRE		WIRE# 005697 FED# 0816B6B7IK2C002037	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

08/16/2007 \$37,500.00

UBS FINANCIAL SERVICES INC.
 345 CALIFORNIA STREET
 SUITE #2200
 SAN FRANCISCO, CA 94104
 D011005900 00000175900005178 FG7925510 0001E

Disbursement

PAGE 1 OF 1
 Account Number PG 79255 P1

Branch Telephone Number
 415-398-6400/800-873-0200

Important. Please retain for your records.

JAMES M RHODES
 252 ANGLES TRACE CT
 LAS VEGAS NV 89148-2746

00005178

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 09/18/2007

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
09/17/2007	FED FUND WIRE		WIRE# 005801 FED# 0917B6B7IK2C003082	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

UBS FINANCIAL SERVICES INC.
 345 CALIFORNIA STREET
 SUITE #2200
 SAN FRANCISCO, CA 94104

D011006430 00000179400005723 FG7925510 0001E

Disbursement

PAGE 1 OF 1
 Account Number FG 79255 P1

Branch Telephone Number
 415-398-6400/800-873-0200

Important. Please retain for your records.

JAMES M RHODES
 252 ANGLES TRACE CT
 LAS VEGAS NV 89148-2746

00005723

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 10/16/2007

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
10/15/2007	FED FUND WIRE		WIRE# 005718 FED# 1015B6B7IK2C002186	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

Total:

\$37,500.00

UBS FINANCIAL SERVICES INC.
 345 CALIFORNIA STREET
 SUITE #2200
 SAN FRANCISCO, CA 94104
 0011005677 00000173400005031 FG7925510 0001E

Disbursement

PAGE 1 OF 1
 Account Number FG 79255 P1

Branch Telephone Number
 415-398-6400/800-873-0200

Important. Please retain for your records.

JAMES M RHODES
 252 ANGLES TRACE CT
 LAS VEGAS NV 89148-2746

00005031

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 11/14/2007

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
11/13/2007	FED FUND WIRE		WIRE# 007217 FED# 1113B6B7IK2C005813	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

10681

\$37,500.00

UBS FINANCIAL SERVICES INC.
 345 CALIFORNIA STREET
 SUITE #2200
 SAN FRANCISCO, CA 94104

D011007040 00000171100006093 FG7925510 0001E

Disbursement

PAGE 1 OF 1
 Account Number FG 79255 P1

Branch Telephone Number
 415-398-6400/800-873-0200

Important. Please retain for your records.

JAMES M RHODES
 252 ANGLES TRACE CT
 LAS VEGAS NV 89148-2746

00000000

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 12/14/2007

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
12/13/2007	FED FUND WIRE		WIRE# 005954 FED# 1213B6B7IK2C003002	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

Total

\$37,500.00

UBS FINANCIAL SERVICES INC.
 345 CALIFORNIA STREET
 SUITE #2200
 SAN FRANCISCO, CA 94104
 D011024317 00000176200022396 FG7925510 0001E

Disbursement

PAGE 1 OF 1
 Account Number FG 79255 P1

Branch Telephone Number
 415-398-6400/800-873-0200

Important. Please retain for your records.

JAMES M RHODES
 252 ANGLES TRACE CT
 LAS VEGAS NV 89148-2746

00022396

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 01/15/2008

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
01/14/2008	FED FUND WIRE		WIRE# 006409 FED# 0114B6B7IK2C003903	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

Total

UBS FINANCIAL SERVICES INC.
345 CALIFORNIA STREET
SUITE #2200
SAN FRANCISCO, CA 94104

D011004903 00000175200004376 FG7925510 0001E

Disbursement

PAGE 1 OF 1
Account Number FG 79255 P1

Branch Telephone Number
415-398-6400/800-873-0200

Important. Please retain for your records.

JAMES M RHODES
252 ANGLES TRACE CT
LAS VEGAS NV 89148-2746

00004376

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 02/13/2008

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
02/12/2008	FED FUND WIRE		WIRE# 005828	\$37,500.00	WELLS FARGO BANK, NA
			FED# 0212B6B7IK2C002054		ABA# 121000248
					ACCOUNT# 5508672085
					CHRIS AND TAMARA STEPHENS

UBS FINANCIAL SERVICES INC.
ONE CALIFORNIA STREET
SAN FRANCISCO, CA 94111-5435

D011004796 000001744000042175825072 0 0001E

Disbursement

PAGE 1 OF 1
Account Number FN 79255 PM

Branch Telephone Number
415-954-6700/800-826-7014

Important. Please retain for your records.

JAMES M RHODES
252 ANGLES TRACE CT
LAS VEGAS NV 89148-2746

00004217

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 03/13/2008

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
03/12/2008	FED FUND WIRE		WIRE# 005870 FED# 0312B6B7IK2C002790	\$34,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEPHENS

UBS FINANCIAL SERVICES INC. 03/13/2008

UBS FINANCIAL SERVICES INC.
ONE CALIFORNIA STREET
SAN FRANCISCO, CA 94111-5435

D011005226 000001778000046055825072 0 0001E

Disbursement

PAGE 1 OF 1
Account Number FN 79255 PM

Branch Telephone Number
415-954-6700/800-826-7014

Important. Please retain for your records.

JAMES M RHODES
252 ANGLES TRACE CT
LAS VEGAS NV 89148-2746

00004605

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 05/13/2008

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
05/12/2008	FED FUND WIRE		WIRE# 005955	\$37,500.00	WELLS FARGO BANK, NA
			FED# 0512B6B7IK2C002216		ABA# 121000248
					ACCOUNT# 5508672085
					CHRIS AND TAMARA STEVENS

Total

\$37,500.00

UBS FINANCIAL SERVICES INC.
ONE CALIFORNIA STREET
SAN FRANCISCO, CA 94111-5435

D011005424 000001778000047455825072 0 0001E

Disbursement

PAGE 1 OF 1
Account Number FN 79255 PM

Branch Telephone Number
415-954-6700/800-826-7014

Important. Please retain for your records.

JAMES M RHODES
252 ANGLES TRACE CT
LAS VEGAS NV 89148-2746

00004745

We confirm the following disbursement transaction(s):

In accordance with your instructions, a disbursement has been made from your account to a recipient and/or address different from your UBS Financial Services Inc. mailing name and address. Details are listed below. If you have any questions regarding this notice, or would like to change any existing disbursement instructions, please contact the Manager of the branch servicing your account.

Confirmation date: 06/13/2008

Transaction date	Activity	Quantity/Face value	Description	Net amount/value	Payee/Recipient
06/12/2008	FED FUND WIRE		WIRE# 006473 FED# 0612B6B7IK2C002861	\$37,500.00	WELLS FARGO BANK, NA ABA# 121000248 ACCOUNT# 5508672085 CHRIS AND TAMARA STEVENS

Total

\$37,500.00

AUG-04-2001(SAT) 12:56

P 026/031

CHKSTMTS_200402A Pages 8759-8759

Page 1 of 1

JAMES M RHODES
C/O FRED CHIN
9030 W SAHARA AVE # 696
LAS VEGAS NV 89117-5744

Type: 1ST FREE CHECKING

Date: 1/13/06

Account: 31016851
Page: 1 BRANCH-031

31016851 SUMMARY FOR 1ST FREE CHECKING

Great news! 1st National Bank of Nevada has introduced a complete line of credit card products. Whether you want to earn cash back or enjoy the wide range of merchandise or travel rewards, there's a card for you. It's easy to apply - just complete the application at fnbnonline.com or stop by one of our branches for an application. Regardless of the product you choose, you pay no interest on purchases and no interest or fees on balance transfers for the first six months. Privately held, family owned, we thank you for banking with us.

STATEMENT SUMMARY

Demand Deposits 105,000.00

1ST FREE CHECKING	JAMES M RHODES	Acct 31016851
Beginning Balance	1/12/06	.00
Deposits / Misc Credits	1	405,000.00
Withdrawals / Misc Debits	1	300,000.00
** Ending Balance	1/13/06	105,000.00 **
Service Charge		.00
Average Balance		60,000
Average Collected Balance		60,000
Minimum Balance		29-

CREDITS

Date	Deposits	Withdrawals	Activity Description
1/13	405,000.00		ADVANCE ON 1920177001

MISCELLANEOUS DEBITS

Date	Deposits	Withdrawals	Activity Description
1/12		300,000.00	OVER CT DEBIT

Check # 04-0172/1224

Date JANUARY 4, 2007

Pay to the Order of FREDERICK CHIN, INC. **\$** 350,000

THREE HUNDRED FIFTY THOUSAND **00/100** **Dollars**

BANK OF NEVADA
FLAMINGO RD. - 4923 W. FLAMINGO RD. - LAS VEGAS, NV 89103

For J. M.

TR 122401723 **ACCT** 0031016851

DEPOSIT
ACCOUNT 3850542

58009113725 2012 0637* DEP ACCT 0000000031505923

Account:31016851 Date:01-05-2007 Sequence:9113725 Amount:\$350,000.00 Serial:999 TR:122401723 TranCode:0
DBCR:D DDAID:0 CustAcct:0 InstID:7

AUG-04-2001(SAT) 12:55

P. 016/031

LN1133P2-DEFAULT Pages 8-b

Page 1 of 1

007132 1/11/07

1320177001 6 1/26/07 9.25000%

First National Bank of Nevada
 Las Vegas Construction Lending 5309.21
 P.O. Box 9490
 Scottsdale, AZ 05252-9490 132

JAMES M RHODES
 C/O FRED CHIN
 22 INDIAN RUN WAY 5309.21
 LAS VEGAS NV 89148-4433

702-889-2117

COMMERCIAL LOANS 1/11/07
 Acct No 1320177001 - FIRST NATIONAL BANK OF NEVADA Branch 132
 Beginning Balance 415250.00 Ending Balance 779447.76
 ----- Current Period Transactions -----
 Eff Date Description Principal Escrow
 Interest Other
 12/26/06 LOAN FEES/INT 14197.76 .00
 .00 .00
 12/26/06 INTEREST PAYMENT .00 .00
 3947.76 .00
 1/05/07 PRINCIPAL ADVANCE 350000.00 .00
 .00 .00
 ----- Prior Period Transactions -----
 Eff Date Description Principal Escrow
 Interest Other
 12/01/06 REGULAR PAYMENT .00 .00
 3307.50 165.37

A Late Charge of 265.46 will be assessed if payment received after 2/06/07.

AUG-04-2001(SAT) 12:57

P. 031/031


Page 1 of 1

JANUARY 4, 2007 84-0172/1224
Date

Pay to the order of JAMES G. COTNE INC \$150,000

ONE HUNDRED FIFTY THOUSAND ⁰⁰/₁₀₀ Dollars

2288391375


BANK OF NEVADA
FLAMINGO RD. 4950 W FLAMINGO RD. LAS VEGAS, NV 89103

For _____

⑆122401723⑆ ⑈0031016851⑈ ⑈0015000000⑈

5416515 1542 143 52 19 01032007
0005416515 0005416515 US BANK
00910007224 ST PAUL, MN
5120945960

004540223913794688442001023077824
AES ENDMNT LTD FIDELITY INVESTMENTS

12240223 01092007 4279
SAT 04 10 09 PM 23
ACT 00000000

6110007
01091331
554067732A434156139

James G. Cotne Inc
J G Cotne Inc

Account:31016851 Date:01-10-2007 Sequence:5416515 Amount:\$150,000.00 Serial:999 TR:122401723 TranCode:0
DBCR:D DDAID:0 CustAcct:0 InstID:7

AUG-04-2001(SAT) 12:55

P. 017/031

LN1133P2-DEFAULT Pages 21-21

Page 1 of 1

007132

2/09/07

1320177001 6 2/26/07 9.250008

First National Bank of Nevada
 Las Vegas Construction Lending
 P.O. Box 67088
 Phoenix, AZ 85082-7000

132

7700.73

JAMES M RHODES
 C/O FRED CHIN
 22 INDIAN RUN WAY
 LAS VEGAS NV 89148-4433

7788.73

702-889-2117

COMMERCIAL LOANS		2/09/07	
Acct No 1320177001 FIRST NATIONAL BANK OF NEVADA		Branch 132	
Beginning Balance 779447.76		Ending Balance 929447.76	
----- Current Period Transactions -----			
Eff Date	Description	Principal	Escrow
		Interest	Other
1/16/07	PRINCIPAL ADVANCE	150000.00	.00
		.00	.00
2/05/07	REGULAR PAYMENT	.00	.00
		5309.21	.00

A Late Charge of 389.44 will be assessed if payment received after 3/09/07.

OMB No. 2502-0265

A. U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT SETTLEMENT STATEMENT		B. TYPE OF LOAN	
		1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FHMA
		4. <input type="checkbox"/> VA	5. <input type="checkbox"/> CONV. INS.
		6. FILE NUMBER: 08-10-0251-SC	7. LOAN NUMBER 1301410002
		8. MORTGAGE INS. CASE NO.:	

C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. NAME & ADDRESS OF BORROWER: Spirit Underground LLC, a Nevada limited liability company
3525 W. Hacienda Avenue, Suite "C", Las Vegas, NV 89118

E. NAME & ADDRESS OF SELLER: Rhodes Ranch General Partnership, a Nevada General Partnership
4730 S. Ft. Apache #300, Las Vegas, NV 89147

F. NAME & ADDRESS OF LENDER: Mutual Of Omaha Bank

G. PROPERTY LOCATION: 3525 W. Hacienda Avenue, Las Vegas, NV 89118

H. SETTLEMENT AGENT: Nevada Title Company
PLACE OF SETTLEMENT: 2500 N. Buffalo Drive, Suite 150, Las Vegas, NV 89128 (702) 251-5000

I. SETTLEMENT DATE: 11/13/2008 Final

J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due From Borrower:		400. Gross Amount Due To Seller:	
101. Contract sales price	1,200,000.00	401. Contract sales price	1,200,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower: (line 1400)	35,519.97	403. Initial Deposit To Escrow	46,503.65
104.		404.	
105.		405.	
Adjustments For Items Paid By Seller In Advance:		Adjustments For Items Paid By Seller In Advance:	
106. City/town taxes to		406. City/town taxes to	
107. County taxes to		407. County taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
113.		413.	
114.		414.	
115.		415.	
116.		416.	
120. Gross Amount Due From Borrower:	1,235,519.97	420. Gross Amount Due To Seller:	1,246,503.65
200. Amounts Paid By Or In Behalf Of Borrower:		500. Reductions In Amount Due To Seller:	
201. Deposit or earnest money	100,000.00	501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)	1,100,000.00	502. Settlement charges to seller (line 1400)	
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204. Initial Deposit To Escrow	24,519.97	504. Payoff 1st Mtg. Ln. City National Bank	627,704.78
205. Additional Deposits To Escrow	11,000.00	505. Payoff 2nd Mtg. Ln. Greenway Partners, LLC	518,604.44
206.		506. Deposit To Seller	100,000.00
207.		507.	
208.		508.	
209.		509.	
Adjustments For Items Unpaid By Seller:		Adjustments For Items Unpaid By Seller:	
210. City/town taxes to		510. City/town taxes to	
211. County taxes to		511. County taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower:	1,235,519.97	520. Total Reductions In Amount Due Seller:	1,246,309.22
300. Cash At Settlement From/To Borrower:		600. Cash At Settlement From/To Seller:	
301. Gross amount due from borrower (line 120)	1,235,519.97	601. Gross amount due to seller (line 420)	1,246,503.65
302. Less amount paid by/for borrower (line 220)	1,235,519.97	602. Less reductions in amount due seller (line 520)	1,246,309.22
303. Cash (<input type="checkbox"/> FROM) (<input type="checkbox"/> TO) Borrower:	0.00	603. Cash (<input checked="" type="checkbox"/> TO) (<input type="checkbox"/> FROM) Seller:	194.43

Previous Edition Is Obsolete
Form No. 1581
3/85

SB-4-3538-000-1
HUD-1 (3-86)
RESPA, HB 4305.2

L.		SETTLEMENT	CHARGES	Est	8-10-0251-SC	
700. Total Sales/Broker's Commission:						
Based On Price \$		1,200,000.00	@	% =		
Division of Commission (line 700) As Follows:						
701. \$	to				Paid From Borrower's Funds At Settlement	Paid From Seller's Funds At Settlement
702. \$	to					
703. Commission paid at settlement						
704.						
800. Items Payable In Connection With Loan:						
801. Loan Origination fee	% Mutual Of Omaha Bank				11,000.00	
802. Loan Discount	%					
803. Appraisal fee to: Mutual Of Omaha Bank					3,500.00	
804. Credit report to:						
805. Lender's inspection fee						
806. Mortgage insurance application fee to						
807. Assumption fee						
808. Appraisal Review Fee To: Mutual Of Omaha Bank					500.00	
809. Document Preparation To: Mutual Of Omaha Bank					500.00	
810. Flood Certification Fee To: Mutual Of Omaha Bank					24.00	
811. Tax Service Fee To: Mutual Of Omaha Bank					128.00	
812. UCC Search Fee To: Mutual Of Omaha Bank					19.00	
813. UCC Filing Fee To: Mutual Of Omaha Bank					20.00	
814. Environmental/Phase I Fee To: Mutual Of Omaha Bank					1,800.00	
815.						
816.						
817.						
818.						
819.						
820.						
821.						
900. Items Required By Lender To Be Paid In Advance:						
901. Interest from	to	@ \$	/day	(0 days)		
902. Mortgage insurance premium for	mo. to					
903. Hazard insurance premium for	yrs. to					
904. Flood insurance premium for	yrs. to					
905.						
906.						
1000. Reserves Deposited With Lender:						
1001. Hazard insurance	0 months @ \$	0.00 per month				
1002. Mortgage insurance	0 months @ \$	0.00 per month				
1003. City property taxes	0 months @ \$	0.00 per month				
1004. County property taxes	0 months @ \$	0.00 per month				
1005. Annual assessments	0 months @ \$	0.00 per month				
1006. Flood insurance	0 months @ \$	0.00 per month				
1007.	0 months @ \$	0.00 per month				
1008. Aggregate Adjustment						
1009.						
1100. Title Charges						
1101. Settlement or closing fee to Nevada Title Company					1,317.00	
1102. Abstract or title search to						
1103. Title examination to						
1104. Title insurance binder to						
1105. Document preparation to Nevada Title Company					150.00	
1106. Notary fees to						
1107. Attorney's fees to						
(includes above item Numbers:)		
1108. Title insurance to Nevada Title Company						
(includes above item Numbers:)	3,913.00	
1109. Lender's coverage \$ 1,100,000.00 Premium: \$888.00						
1110. Owner's coverage \$ 1,200,000.00 Premium: \$3,025.00						
1111. Inspection Fee to Nevada Title Company					110.00	
1112. Inspection Fee to Nevada Title Company					195.00	
1113. 100.29 & 103.3 Endorsements to Nevada Title Company					50.00	
1114.						
1200. Government Recording and Transfer Charges:						
1201. Recording fees: Deed \$ 25.00 ; Mortgage \$ 75.00 ; Releases \$ 25.00					125.00	
1202. City/county tax/stamps: Deed \$ 6,120.00 ; Mortgage \$ 0.00					6,120.00	
1203. State tax/stamps: Deed \$ 0.00 ; Mortgage \$ 0.00						
1204. Record Assignment of Rents to Nevada Title Company					25.00	
1205. Record UCC-1 to Nevada Title Company					25.00	
1300. Additional Settlement Charges:						
1301. Survey to						
1302. Pest inspection to						
1303. Property Tax to Clark County Treasurer-08/09 2nd Qtr Taxes					2,524.17	
1304. Property Tax to Clark County Treasurer-08/09 1st Half Taxes					3,474.80	
1305.						
1306.						
1307.						
1308.						
1400. Total Settlement Charge (Enter on line 103, Section J - and - line 502, Section K)					35,519.97	

SELLER'S AND/OR BORROWER'S STATEMENT

Escrow: 08-10-0251-SC

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent: _____ Date: _____
Susan Coleman, Nevada Title Company

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine or imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

ATTACHMENT TO HUD 1
Settlement Date: 11/13/2008

Escrow No.: 08-10-0251-SC
Title No.: 08-10-0251-SC
Page: 1

EXHIBIT A: (HUD Section 500)

Buyer Amount Seller Amount

Reductions In Amount Due To Seller: - Loan Payoff Breakdown:

City National Bank

Principal Balance To: City National Bank	622,059.41
Interest From / / to 11/03/2008 To: City National Bank	4,009.73
Statement / Demand Fee To: City National Bank	30.00
Reconveyance Fee To: City National Bank	45.00
Recording Fee To: City National Bank	40.00
Interest Per Diem From 11/03/2008 to 11/14/2008 @ \$ 138.2400 To: City National Bank	1,520.64
Total:	627,704.78

Greenway Partners, LLC

Principal Balance To: Greenway Partners, LLC	500,000.00
Wire Transfer Fee To: Greenway Partners, LLC	35.00
Interest From 5/07/2008 to 11/14/2008 To: Greenway Partners, LLC	18,569.44
Total:	518,604.44

**NOTE SECURED BY DEED OF TRUST
(Straight Note)**

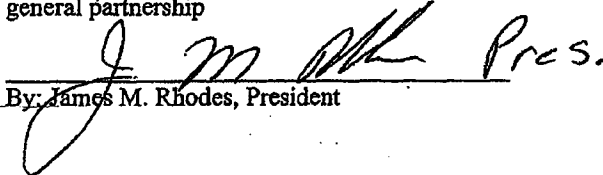
\$ 500,000.00

Re: Escrow No. 07-11-0119-SC
Las Vegas, Nevada
Date: November 7, 2007

On or before November 7, 2008, for value received, the undersigned promise to pay to **Greenway Partners, LLC**, a Nevada limited-liability company, or order at 5737 West 146th Street, Overland Park, KS 66223, or as directed, the sum of **FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00)**, with interest from the 7th day of May, 2008, at the rate of **seven (7.0%)** per cent per annum, payable together with and in addition to the principal balance due hereunder.

Should default be made in payment of any principal or interest or in performance of any obligation contained in Deed of Trust by which this note is secured, the whole sum of principal and interest shall become immediately due at the option of the holder hereof. Principal and interest payable in lawful money of the United States. If action be instituted in any Court to enforce any obligation secured by such Deed of Trust, undersigned promise to pay such sum as the court may fix as attorney's fees in said action. This Note is secured by a DEED OF TRUST, of even date herewith to NEVADA TITLE COMPANY, a Nevada corporation, as Trustee.

Rhodes Ranch General Partnership, a Nevada
general partnership

 Pres.
By: James M. Rhodes, President

**DO NOT DESTROY THIS NOTE: When paid, this Note with Deed of Trust securing same
Must be surrendered to Trustee for cancellation before reconveyance will be made.**

Entity Details - Secretary of State, Nevada

Page 1 of 2

GREENWAY PARTNERS, LLC

Business Entity Information			
Status:	Active	File Date:	1/11/2006 2:57:06 PM
Type:	Domestic Limited-Liability Company	Corp Number:	E0013422006-5
Qualifying State:	NV	List of Officers Due:	1/31/2010
Managed By:	Managers	Expiration Date:	

Registered Agent Information			
Name:	JAMES G COYNE	Address 1:	3230 POLARIS AVE #11
Address 2:		City:	LAS VEGAS
State:	NV	Zip Code:	89102
Phone:		Fax:	
Mailing Address 1:		Mailing Address 2:	
Mailing City:		Mailing State:	NV
Mailing Zip Code:			
Agent Type:	Noncommercial Registered Agent		

Financial Information			
No Par Share Count:	0	Capital Amount:	\$ 0
No stock records found for this company			

Officers			
			<input type="checkbox"/> Include Inactive Officers
Manager - FREDERICK E CHIN			
Address 1:	3230 POLARIS AVE #11	Address 2:	
City:	LAS VEGAS	State:	NV
Zip Code:	89102	Country:	
Status:	Active	Email:	
Manager - JAMES G COYNE			
Address 1:	3230 POLARIS AVE #11	Address 2:	
City:	LAS VEGAS	State:	NV
Zip Code:	89102	Country:	
Status:	Active	Email:	

Actions/Amendments			
Action Type:	Articles of Organization		
Document Number:	20060016344-26	# of Pages:	1
File Date:	01/11/2006	Effective Date:	
(No notes for this action)			
Action Type:	Initial List		
Document Number:	20060142841-18	# of Pages:	1
File Date:	03/06/2006	Effective Date:	
(No notes for this action)			
Action Type:	Annual List		
Document Number:	20070019606-71	# of Pages:	1
File Date:	01/10/2007	Effective Date:	
07-08			
Action Type:	Registered Agent Change		
Document Number:	20070019607-82	# of Pages:	1

Entity Details - Secretary of State, Nevada

Page 2 of 2

File Date:	01/10/2007	Effective Date:	
(No notes for this action)			
Action Type:	Annual List		
Document Number:	20080076450-12	# of Pages:	1
File Date:	01/31/2008	Effective Date:	
08-09			
Action Type:	Registered Agent Address Change		
Document Number:	20080296150-43	# of Pages:	222
File Date:	04/29/2008	Effective Date:	
(No notes for this action)			
Action Type:	Annual List		
Document Number:	20090069635-10	# of Pages:	1
File Date:	01/22/2009	Effective Date:	
09/10			
Action Type:	Registered Agent Change		
Document Number:	20090069636-21	# of Pages:	1
File Date:	01/22/2009	Effective Date:	
(No notes for this action)			

The Journal Entries outlined below were entered to help "true-up" the allocation of overhead for 2007.

Issue: Support for entry has been lost, and not sure if it covered all of 2007. No allocation amount for other personnel

Does not represent an amount currently due, just used in other calculations

Date	Account	Description	DR	CR
Rhodes Design & Development				
9/30/2007	rdd-0000-65-7640.0000	Salary - Cassidy		17,653.85
	rdd-0000-65-7640.0000	Salary - Popek		1,500.00
	rdd-0000-65-7640.0000	Salary - Roroe		3,163.44
	rdd-0000-65-7640.0000	Salary - Priddy		89,342.26
	rdd-0000-70-7640.0000	Salary - Rahill		45,769.22
	rdd-0000-60-7640.0000	Salary - Rodriguez		92,200.00
	rdd-0000-60-7640.0000	Salary - Darragh		57,522.22
	rdd-0000-75-7640.0000	Salary - Salvatore		25,000.04
	rdd-0000-65-7500.0000	Payroll Tax Expense - Cassidy		1,350.52
	rdd-0000-65-7500.0000	Payroll Tax Expense - Popek		114.75
	rdd-0000-65-7500.0000	Payroll Tax Expense - Roroe		242.00
	rdd-0000-65-7500.0000	Payroll Tax Expense - Priddy		7,776.41
	rdd-0000-70-7500.0000	Payroll Tax Expense - Rahill		656.11
	rdd-0000-60-7500.0000	Payroll Tax Expense - Rodriguez		6,250.20
	rdd-0000-60-7500.0000	Payroll Tax Expense - Darragh		3,898.07
	rdd-0000-75-7500.0000	Payroll Tax Expense - Salvatore		1,897.59
	rdd-0000-00-2810.1000	Interco NP - Heritage	354,336.68	
Reclass salary for factory - GL batch 6130				
The Rhodes Companies				
9/30/2007	rco-0000-01-7640.0000	Salary - Coyne		112,403.08
	rco-0000-01-7640.0000	Salary - Stevens		473,077.02
	rco-0000-01-7500.0000	Payroll Tax Expense - Coyne		7,668.86
	rco-0000-01-7500.0000	Payroll Tax Expense - Stevens		12,827.27
	rco-0000-00-1250.1000	DFA - Heritage	593,148.96	
Reclass salary for factory - GL batch 6130				
Heritage Land				
9/30/2007	hlc-0000-00-1250.0006	DFA - Desert Communities	960,312.91	
	hlc-0000-00-1240-0001	Interco NR - Rhodes Design		354,336.68
	hlc-0000-00-2190.2000	DTA - Rhodes Companies		605,976.23
Reclass salary for factory - GL batch 6131				
Desert Communities				
9/30/2007	dci-0000-01-7640.0000	Salaries	917,631.13	
	dci-0000-01-7500.0000	Payroll Tax Expense	42,681.78	
	dci-0000-00-2190.1000	DTA - Heritage		960,312.91
Reclass salary from RDD & RCO - GL batch 5107				
12/31/2007	dci-0000-00-2190.1000	DTA - Heritage	960,312.91	
	dci-0000-00-3300.0015	Equity - SEI		960,312.91
Adjust coding on HLC amount - batch 5173				
Heritage Land				
12/31/2007	hlc-0000-00-1240.0043	Interco NR - Pinnacle Grading	960,312.91	
	hlc-0000-00-1250.0006	DFA - Desert Communities		960,312.91
Adjust coding on DCI amount - batch 6457				
Sagebrush Enterprises				
12/31/2007	sei-0000-00-1940.0006	Investment - DCI	960,312.91	
	sei-0000-00-1940.0049	Investment - Pinnacle Eq. Rental		960,312.91
Adjust coding on DCI amount - batch 6457				
Pinnacle Grading LLC				
12/31/2007	120-00-2150.0049	DTA - Pinnacle Eq. Rental	960,312.91	
	120-00-2610.0001	Heritage LOC		960,312.91
	125-00-3350.0049	Distribution to SEI	960,312.91	
	125-00-1300.0043	Due from Pinnacle Grading		960,312.91
Adjust Pinnacle-DCI-HLC - batch 742				

Per Jim Rhodes, the following 3 employees had a large portion of their salaries paid outside the company from his personal funds.
 Per his request, this calculation is made to estimate what could possibly be owed by the credit facility if it paid the extra amounts instead of Jim.
 Issue: To date there are no company contracts produced that shows the company was liable for the higher rate.

Approx Time Allocations

Fred Chin

Per Dec 9, 2008 Conversation

Start Date 4/12/2004
 End Date 3/27/2007

Approx 36 Months Total

	Months	Inside	Outside	Total
Start to March 2005 - Rhodes Homes 100% inside	11.5	100%		100%
March 2005 -> Dec 2005 2/3 Insie 1/3 outside	9.5	66.67%	33.33%	100%
Jan 2006 -> July 2006 100% Westland (outside)	7		100%	100%
July 2006 -> Nov 100% Outside on AZ inv prop	4		100%	100%
Nov 2006 -> March 2007 100% inside	4	100%		100%
Total	36	60.65%	39.35%	100.00%

Payroll Rate

Cash Paid

Payroll 4/12/2004 -> End of 2005	20.5	\$ 683,333.33			Calculation based on Time and Salary
2006 Payroll			\$ 400,000		Calculation based on Time and Salary
2007 Payroll		\$ 131,527.31			From Payroll Records
First National/FDIC Loan					
Per 12/25/07 Stmt		\$ 990,755.26	\$ 689,221.05		
11/1/08 RDD 1099 Cash Pmt		\$ 125,000.00			
Total Paid		\$ 939,860.64	\$ 1,089,221.05	\$	2,029,081.69
Correct Distribution		\$ 1,230,600.47	\$ 798,481.22	\$	2,029,081.69
Overpayment/(underpayment)		<u>\$ (290,739.83)</u>	<u>\$ 290,739.83</u>		

James Coyne

Per 1/12/09 Conversation

Start Date 5/7/2004
 End Date 11/1/2007

Approx 42 Months

	Months	Inside	Outside	Total
Start to March 2005 - Rhodes Homes 100% inside	10.5	100%		100%
March 2005 -> Dec 2005 85% MH Land, 15% Sp Hills	9.5	15%	85%	100%
Jan 2006 -> July 2006 100% Westland (outside)	7		100%	100%
July 2006 -> March '07 (MH Cty 90% split Pravada and Outside, 10% Inside)	8	55%	45%	100%
April -> July '07 trying to start Phx Homebuilding	4		100%	100%
Aug '07 -> End Multifamily 50% inside / 50% outside	3	50%	50%	100%
Total	42	42%	58%	100%

Schedule prepared by James CFO

Payroll 5/7/04 -> End of 2005	18.75	\$	281,250.00			Calculation based on Time and Salary
2006 Payroll				180000		Calculation based on Time and Salary
2007 RHA Payroll			112403.08			From Payroll Records
2007 The Rhodes Companies Payroll			79842.92			From Payroll Records
2007 OH True Up entry (GL Batch 6130)			(120,071.94)	120,071.94		
Total Paid		\$	353,424.06	\$	300,071.94	\$ 653,496.00
Correct Distribution		\$	277,346.81	\$	376,149.19	\$ 653,496.00
Overpayment/(underpayment)		\$	76,077.25	\$	(76,077.25)	

Chris Stephens

Per Dec 11, 2008 Conversation

Start Date

6/12/2006

End Date

6/25/2008

Approx 24 Months

Pravada Entitlement Work Allocation	Inside	Outside				Allocation based on John Gall letter and Slater Hanifan drainage study
	45%	55%				
	Months	Pravada	Inside	Pravada Split Outside	Other Outside	
1st 8 Months all Pravada	8	100%	45.0%	55.0%		
After that 60% Pravada/ 40% Other Outside Credit	16	60%	27.0%	33.0%	40%	
Total	24	73.33%	33.00%	40.33%	26.67%	
	Total Inside		33.00%			
	Total Outside		67.00%			
			<u>100%</u>			

RDD Payroll 2006		\$	209,230.83			From Payroll Records
The Rhodes Companies 2007 Payroll		\$	550,000.12			From Payroll Records
RDD Payroll 2008		\$	345,384.62			From Payroll Records
2007 OH True Up entry (GL Batch 6130)		\$	(485,904.29)	\$	485,904.29	
UBS ACCT ADD'L Com	2006			\$	1,225,000.00	From Matt Palleschi - UBS
UBS ACCT ADD'L Com	2007			\$	450,000.00	From Matt Palleschi - UBS
UBS ACCT ADD'L Com	2008			\$	150,000.00	From Matt Palleschi - UBS
Total Paid		\$	618,711.28	\$	2,310,904.29	\$ 2,929,615.57
Correct Distribution		\$	966,773.14	\$	1,962,842.43	\$ 2,929,615.57
Overpayment/(underpayment)		\$	(348,061.86)	\$	348,061.86	

Schedule prepared by former CFO

Per Jim Rhodes, the following 3 employees had a large portion of their salaries paid outside the company from his personal funds.
 Per his request, this calculation is made to estimate what could possibly be owed by the credit facility if it paid the extra amounts instead of Jim.
 Issue: To date there are no company contracts produced that shows the company was liable for the higher rate.

Approx Time Allocations

Fred Chin

Per Dec 9, 2008 Conversation

Start Date 4/12/2004
 End Date 3/27/2007

Approx 36 Months Total

	Months	Inside	Outside	Total
Start to March 2005 - Rhodes Homes 100% inside	11.5	100%		100%
March 2005 -> Dec 2005 2/3 Insie 1/3 outside	9.5	66.67%	33.33%	100%
Jan 2006 -> July 2006 100% Westland (outside)	7	50%	50%	100%
July 2006 -> Nov 100% Outside on AZ inv prop	4	50%	50%	100%
Nov 2006 -> March 2007 100% inside	4	100%		100%
Total	36	75.93%	24.07%	100.00%

Payroll Rate

Cash Paid

Payroll 4/12/2004 -> End of 2005

20.5 \$ 683,333.33

2006 Payroll

387,303.65

2007 Payroll

131,527.31

First National/FDIC Loan

Per 12/25/07 Stmt

\$ 990,755.26

11/1/07 RDD 1099 Cash Pmt

125,000.00

Spirit Underground Building

344,827.59

Total Paid

\$ 1,327,164.29 \$ 994,827.59 \$ 2,321,991.88 \$ 3,122,000.00 Total loan from shareholder

Calculation based on Time and Salary

Calculation based on Time and Salary (Rcvd w-2 from Sedora Hldgs)

From Payroll Records

% allocation of 500g from Spirit bldg

0.689655172 (this is a percentage based on the base

0.310344828 salaries of Chin & Coyne)

Correct Distribution

\$ 1,762,993.83 \$ 558,998.05 \$ 2,321,991.88

Overpayment/(underpayment)

\$ (435,829.54) \$ 435,829.54

James Coyne

Per 1/12/09 Conversation

Start Date 5/7/2004
 End Date 11/1/2007

Approx 42 Months

	Months	Inside	Outside	Total
Start to March 2005 - Rhodes Homes 100% inside	10.5	100%		100%
March 2005 -> Dec 2005 85% MH Land, 15% Sp Hills	9.5	15%	85%	100%
Jan 2006 -> July 2006 100% Westland (outside)	7	50%	50%	100% pursuant to conv with PH and JR
July 2006 -> March '07 (MH Cty 90% split Pravada and Outside, 10%)	8	55%	45%	100%
April -> July '07 trying to start Phx Homebuilding	4		100%	100%
Aug '07 -> End Multifamily 50% inside / 50% outside	3	50%	50%	100%
Total	42	51%	49%	100%

Prepared by M444

				\$ 150,000.00		paid as lc
Payroll 5/7/04 -> End of 2005	18.75	\$	281,250.00			Calculation based on Time and Salary
2006 Payroll			180,000.08			Calculation based on Time and Salary (We recvd w-2 from Sedora Holdings)
2007 RHA Payroll			112,403.08			From Payroll Records
2007 The Rhodes Companies Payroll			79,842.92			From Payroll Records
2007 OH True Up entry (GL Batch 6130)			(120,071.94)	120,071.94		
Spirit Underground Building				155,172.41		
Total Paid		\$	533,424.14	\$	425,244.35	\$ 958,668.49
Correct Distribution		\$	486,752.52	\$	471,915.98	\$ 958,668.49
Overpayment/(underpayment)		\$	46,671.62	\$	(46,671.62)	

Chris Stephens	Per Dec 11, 2008 Conversation	
Start Date	6/12/2006	
End Date	6/25/2008	Approx 24 Months

Pravada Entitlement Work Allocation	Inside	Outside		Allocation based on John Gall letter and Slater Hanifan drainage study		
	90%	10%				
		Months	Pravada	Pravada Split Inside	Outside	Other Outside
1st 8 Months all Pravada		8	100%	90.0%	10.0%	
After that 60% Pravada/ 40% Other Outside Credit		16	60%	54.0%	6.0%	40%
Total		24	73.33%	66.00%	7.33%	26.67%
	Total Inside			66.00%		
	Total Outside			<u>34.00%</u>		
				<u>100%</u>		

RDD Payroll 2006		\$	209,230.83				From Payroll Records
The Rhodes Companies 2007 Payroll			550,000.12				From Payroll Records
RDD Payroll 2008			356,891.24				From Payroll Records
2007 OH True Up entry (GL Batch 6130)			(485,904.29)		485,904.29		
UBS ACCT ADD'L Com	2006				1,225,000.00		From Matt Palleschi - UBS
UBS ACCT ADD'L Com	2007				412,500.00		From Matt Palleschi - UBS
UBS ACCT ADD'L Com	2008				184,500.00		From Matt Palleschi - UBS
Total Paid		\$	630,217.90	\$	2,307,904.29	\$	2,938,122.19
Correct Distribution		\$	1,939,160.65	\$	998,961.54	\$	2,938,122.19
Overpayment/(underpayment)		\$	<u>(1,308,942.75)</u>	\$	<u>1,308,942.75</u>		

Prepared by M444

	Adjusted Inside/Outside Book	Correct Inside Salary	Adjustment Needed
Inside			
Chin	1,327,164.29	1,762,993.83	435,829.54
Coyne	533,424.14	486,752.52	(46,671.62)
Stephens	630,217.90	1,939,160.65	1,308,942.75
			<u>1,698,100.66</u>
Outside			
Chin		558,998.05	558,998.05
Coyne	120,071.94	471,915.98	351,844.04
Stephens	485,904.29	998,961.54	513,057.25
			<u>1,423,899.34</u>

Journal Entries**Rhodes Design & Development**

Due to J. Rhodes 389,157.92
Salary Expense 389,157.92
To record compensation paid personally

Rhodes Homes Arizona

Due to J. Rhodes 1,308,942.75
Salary Expense 1,308,942.75
To record compensation paid personally

Sagebrush Enterprises

Due to J. Rhodes 1,423,899.34
Salary Expense 1,423,899.34
To record compensation paid personally